

REMARKS

Claims 1-28 remain in the application. The claims have been carefully reviewed with particular attention to the points raised in the Office Action. It is submitted that no new matter has been added and no new issues have been raised by the present response.

Reconsideration is respectfully requested of the rejection of claims 1, 3-8, 11, 13-18, and 28 under 35 U.S.C. § 102(e), as allegedly being anticipated by U.S. Patent No. 6,260,111 to Craig et al.

Applicant has carefully considered the comments of the Office Action and the cited reference, and respectfully submits that claims 1, 3-8, 11, 13-18, and 28 are patentably distinct over the cited reference for at least the following reasons.

The present invention relates to a system for automatic connection to a network. The system also relates to an online advertisement system and to management of digital rights of digital content over the network. The system includes a data card, a data card reader, a data processor, and an application program residing on a memory component of the data card. The data card may contain user information, including digital rights information, that is specific to a user. The data card reader may access the user information on the data card, and the data processor may be connected to the network. The application program can be configured to operate in conjunction with a universal language for creating and

controlling digital rights, to manage user rights of digital content available on the network based upon the digital rights information contained on the data card.

Craig et al., as understood by Applicant, relates to a system and method for network power management incorporating user identity and preferences via a power managed access card. The system includes a network computer having an access port for receiving the access card that includes a processor and storage for providing secure user information. The network computer is controlled by detecting the presence of the access card and accessing the card to obtain user-specific information. The power management of the network computer may be controlled based upon the user-specific information on the access card.

The user information may also be provided to the network computer by storing user specific information on an access card that includes a processor and storage such that the user information stored on the access card may only be accessed through the access card processor, to provide secure data on the access card. The access card may then be provided to the network computer and accessed to obtain the user specific information independent of the network connections of the network computer.

User identification information, which may be encrypted, may be stored on the access card and validated to permit access to the network computer. User activity may be tracked or monitored to establish power management preferences for a

user, and the network computer may be activated and deactivated by the detected presence or absence of the access card.

The Office Action states that Craig et al. discloses a system for managing digital rights of digital content on a network, comprising a data card, a data card reader, a data processor, and an application program resident on the memory of the data card (see Office Action, p. 2, ln. 19 to p. 3, ln. 6). Applicant respectfully disagrees.

The Office Action cites the disclosure in Craig et al. of user information supplied to the network computer via an access card (see id., p. 3, lns. 8-20), and of a network computer having a power management controller and an access card port for receiving the access card (see id., p. 3, ln. 21 to p. 4, ln. 8).

As understood by Applicant, the access card of Craig et al. stores only the user information (see Craig et al., col. 4, lns. 9-20). The access card may be a smart card containing a central processing unit and memory, whereby the user information is only accessible through the central processing unit (see id., col. 6, lns. 37-52). This access restriction allows storage of the user information in a secure format (see id.).

Upon insertion of the access card into the access card port, the network computer of Craig et al. senses and accesses the access card to retrieve the stored user information (see id., lns. 53-60). The user information is verified by the

network computer to determine if the user is a valid user (see id., col. 7, lns. 6-39; Fig. 3). If the user is a valid user, the power management unit of the network computer activates a power-up procedure and reads user preferences from the access card (see id.). The user preferences are used by the network computer to configure functions such as power management, screen saver time delay, screen saver selection, display deactivation times, applications, and run-time environment required by the user (see id.).

The network computer of Craig et al. may also sense when the access card is removed, causing the power management unit to perform an orderly shut-down of the network computer (see id., col. 8, lns. 3-24).

That is, as understood by Applicant, the network computer reads the user information from the access card, analyzes that user information within the network computer to determine accessibility, and utilizes the read information to set the operational configuration of the network computer.

In contrast, the system of the present application includes a data card having a memory component and an application program resident on the memory component of the data card, the application program being configured to operate in conjunction with a universal language for creating and controlling digital rights (see specification of the present application, p. 24, ln. 29 to p. 25, ln 5).

Furthermore, it is respectfully submitted that the user information of the present invention includes digital rights

information specific to a user, and that the application program resident on the memory component of the data card operates to manage user rights of digital content available on the network based on the user-specific digital rights information (see id., p. 24, ln. 15 to p. 26, ln. 16).

The combined use of user-specific digital rights information and application program allows for secure control of access and usage of various forms of digital data (see id., p. 22, lns 20-24). The use of a universal language and standard for creating terms and conditions associated with digital rights management provides a mechanism to specify rights and issuing conditions associated with the use and protection of the digital content (see id., pg. 24, lns. 3-7).

As understood by Applicant, Craig et al. does not disclose or suggest a system for managing digital rights of digital content over a network, comprising a data card which contains user information including digital rights information specific to a user, the data card having a memory component for enabling information to be stored within the data card, a data card reader adapted to access the user information, a data processor, and an application program resident on the memory component of the data card, the application program being configured to operate in conjunction with a universal language for creating and controlling digital rights, to manage user rights of digital content available on the network based on the digital rights information contained on the data card, as described above and as recited in independent claim

1.

Accordingly, for at least the above-stated reasons, it is respectfully submitted that independent claim 1, and the claims depending therefrom, including claims 3-8, are patentable over the cited reference. Independent claim 11, and the claims depending therefrom, including claims 13-18, are believed to be patentable over the cited reference for at least similar reasons. Independent claim 28 is also believed to be patentable over the cited reference for at least similar reasons.

Reconsideration is respectfully requested of the rejection of claims 2 and 12 under 35 U.S.C. § 103(a), as allegedly being unpatentable over Craig et al. in view of U.S. Patent No. 6,460,076 to Srinivasan.

Applicant has carefully considered the comments of the Office Action and the cited reference, and respectfully submits that claims 2 and 12 are patentably distinct over the cited references for at least the following reasons.

The Office Action states that Craig et al. does not disclose digital content including e-books, e-magazines, e-newsletters, software, games, digital music, and digital video (see Office Action, p. 9, lns. 5-8). Srinivasan is cited as allegedly showing the missing element.

Srinivasan, as understood by Applicant, relates to a pay-per-record system and method that provides for downloading and recording of data files over a data network such as the World

Wide Web. A server connected to the World Wide Web includes a database which contains a number of data files such as music, video, and software that it wishes to sell to customers. A web page is provided on the server to access and view the products for sale. A system for billing is incorporated into the server such that when a user logs in there is either a confirmation that the user has an account with the service provider or credit card information is provided against which charges may be made.

Through use of the web browser, the user makes selections and begins the download of information into a memory in the user interface. Connected to the user interface is a recorder for recording the information upon a portable media such as an optical disk. Once the information is downloaded over the network into the memory, a plugin in the web browser decompresses and unencrypts the file and begins a transfer process to the media recorder. Upon completion of the recording, a confirmation message is sent to the server and the user is billed for the download. After the billing process is complete, the plugin deletes the file from the computer memory and unlocks the portable media so that the user can play the information on another device.

As understood by Applicant, Srinivasan discloses allowing the user to download digital information in the form of music, video, and other data transferable via the World Wide Web (see Srinivasan, col. 3, lns. 41-48).

It is respectfully submitted, however, that Srinivasan

does not disclose or suggest, either alone or in combination with Craig et al., a system for managing digital rights of digital content over a network including a data card which contains user information including digital rights information specific to a user, the data card having a memory component for enabling information to be stored within the data card, a data card reader adapted to access the user information, a data processor, and an application program resident on the memory component of the data card, the application program being configured to operate in conjunction with a universal language for creating and controlling digital rights, to manage user rights of digital content available on the network based on the digital rights information contained on the data card, as described above and as recited in independent claim 1.

Accordingly, for at least the above-stated reasons, it is respectfully submitted that independent claim 1, and the claims depending therefrom, including claim 2, are patentable over the cited references. Independent claim 11, and the claims depending therefrom, including claim 12, are believed to be patentable over the cited references for at least similar reasons.

Reconsideration is respectfully requested of the rejection of claims 9-10, 19-21, and 23-27 under 35 U.S.C. § 103(a), as allegedly being unpatentable over Craig et al. in view of U.S. Patent No. 6,473,500 to Risafi et al.

Applicants have carefully considered the comments of the

Office Action and the cited reference, and respectfully submit that claims 9-10, 19-21, and 23-27 are patentably distinct over the cited references for at least the following reasons.

The Office Action states that Craig et al. fails to disclose an updating of an account balance of a user (see Office Action, p. 11, lns. 12-16). Risafi is cited as allegedly showing the missing element.

Risafi, as understood by Applicant, relates to a system and method for using a prepaid card. The system and method permits a user to purchase a card issued by an issuer such as a bank through an agent at a retail establishment via a terminal. The user may select a personal identification number (PIN), have the card activated at the point of purchase, use the card to purchase goods and services, and reload the card for future use. The system uses a communications network for issuance, activation, and accounting, and activation is accomplished on a real-time basis, either one account at a time or in a batch mode.

It is respectfully submitted, however, that neither Craig et al. nor Risafi, alone or in combination, disclose or suggest a system for managing digital rights of digital content over a network including a data card which contains user information including digital rights information specific to a user, the data card having a memory component for enabling information to be stored within the data card, a data card reader adapted to access the user information, a data processor, and an application program resident on the memory

component of the data card, the application program being configured to operate in conjunction with a universal language for creating and controlling digital rights, to manage user rights of digital content available on the network based on the digital rights information contained on the data card, as described above and as recited in independent claim 1.

Accordingly, for at least the above-stated reasons, it is respectfully submitted that independent claim 1, and the claims depending therefrom, including claims 9 and 10, are patentable over the cited references. Independent claim 11, and the claims depending therefrom, including claims 19 and 20, and independent claim 21, and the claims depending therefrom, including claims 23-27, are believed to be patentable over the cited references for at least similar reasons.

Reconsideration is respectfully requested of the rejection of claim 22 under 35 U.S.C. § 103(a), as allegedly being unpatentable over Craig et al. in view of Risafi et al. and further in view of Srinivasan.

Applicant has carefully considered the comments of the Office Action and the cited references, and respectfully submit that claim 22 is patentably distinct over the cited references for at least the following reasons.

The Office Action notes that neither Craig et al. nor Risafi disclose or suggest digital content in the form of e-books, e-magazines, e-newsletters, software, games, digital music, and digital video (see Office Action, p. 14, lns. 19-

21). Srinivasan is again cited by the Office Action as allegedly disclosing this missing element.

It is respectfully submitted, however, that neither Craig et al., nor Risafi, nor Srinivasan, alone or in combination, disclose or suggest a system for managing digital rights of digital content over a network including a data card which contains user information including digital rights information specific to a user, the data card having a memory component for enabling information to be stored within the data card, a data card reader adapted to access the user information, a data processor, and an application program resident on the memory component of the data card, the application program being configured to operate in conjunction with a universal language for creating and controlling digital rights, to manage user rights of digital content available on the network based on the digital rights information contained on the data card, to track subsequent use of the digital content by the user, to update an account balance of the user stored on the memory component for payment of fees for accessing and using the digital content, and to maintain financial information for an owner of the digital content, as recited in independent claim 21.

Accordingly, for at least the above-stated reason, it is respectfully submitted that independent claim 21, and the claims depending therefrom, including claim 22, are patentable over the cited references.

The reference cited as of interest has been reviewed, but

is not seen to show or suggest the present invention as recited in the claims.

Should the Examiner disagree, it is respectfully requested that the Examiner specify where in the cited document there is a basis for such disagreement.

The Office is hereby authorized to charge any fees which may be required in connection with this Amendment and to credit any overpayment to Deposit Account No. 03-3125.

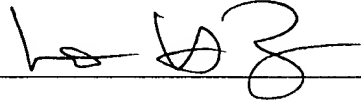
Favorable reconsideration is earnestly solicited.

Dated: December 11, 2003

I hereby certify that this paper is being deposited this date with the U.S. Postal Service as first class mail addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

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